

# Environmental Report 2010

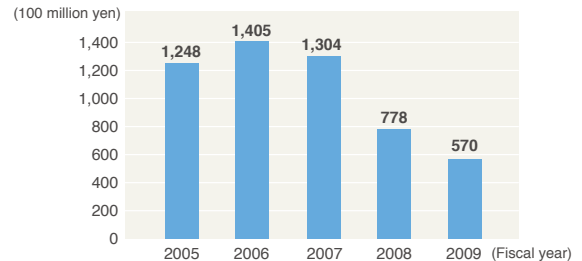
Mind &  
Technology

## ■ Outline of the Juki Group As of the end of March 31, 2010

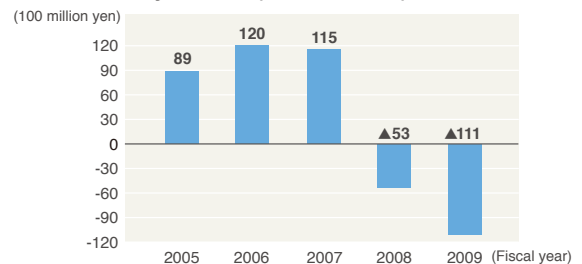
### ■ Juki Corporation Outline

Establishment	December 15, 1938
Paid-in capital	¥15.95 billion
Shares	Aggregate number of issued shares: 129,370,000 shares Number of shareholders: 13,756 Listed on Tokyo Stock Exchange First Section Fiscal year ending March 31
Net sale	¥27.7 billion
Major business sites	Head office 2-11-1, Tsurumaki, Tama-Shi, Tokyo 206-8551  Ohtawara plant 1863, Kita-kanemaru, Ohtawara-shi, Tochigi Prefecture 324-0011
Number of employees	1,196

### Net sales (Consolidated)



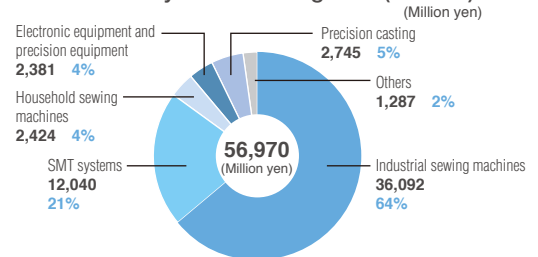
### Ordinary income (Consolidated)



### ■ The Juki Group Outline of the Juki Group

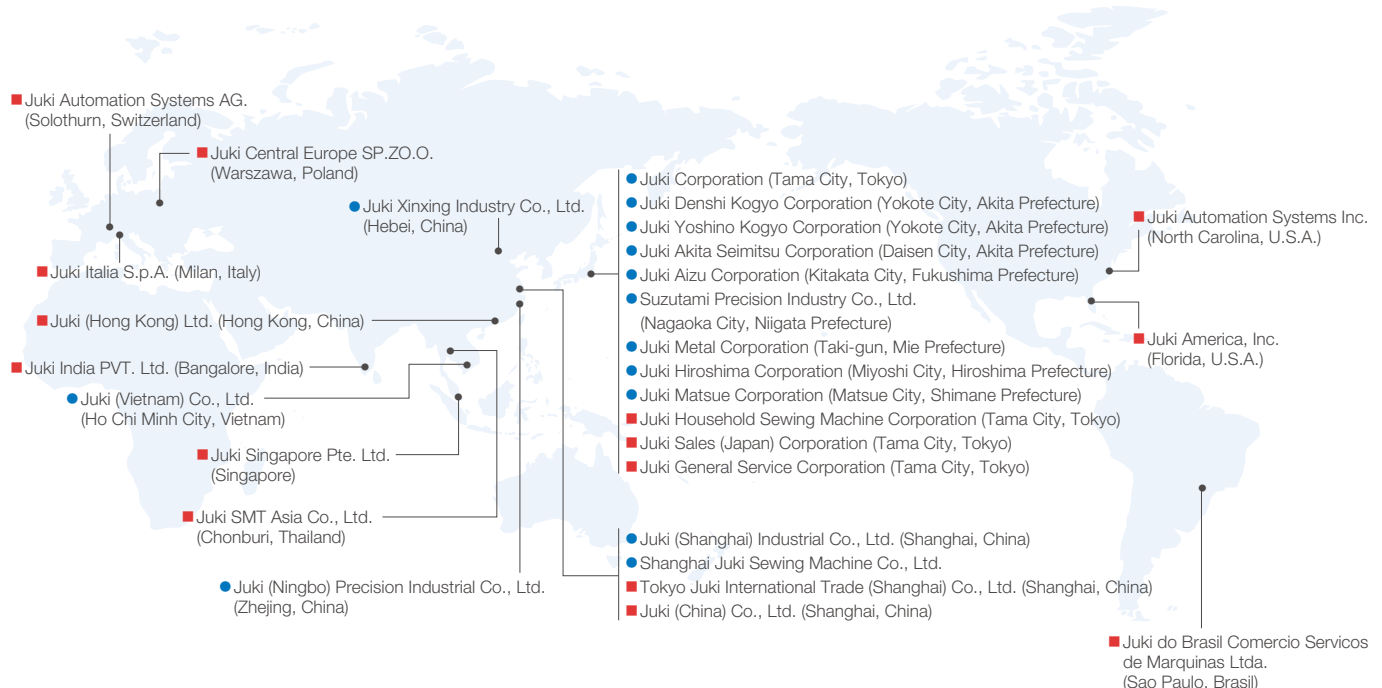
Number of consolidated subsidiaries	34
Net sales	¥57 billion
Number of employees	6,574
Business segments	Industrial sewing machines, SMT (Surface Mount Technology) systems, Household sewing machines, Electronic equipment and precision equipment, Precision casting, Others

### ■ Net sales by Business Segment (FY2009)



### ■ Major companies in the Group

● Manufacturing companies ■ Sales companies etc.



# Mind & Technology

## ■ Editorial Policy

This report summarizes the Juki Group's ideas on environmental preservation and the Group's environmental activities and achievements in fiscal 2009. The report includes organizational data at the end of June 2010.

## ■ Period Covered

This report covers the period in fiscal 2009 (from April 1, 2009 through March 31, 2010 in Japan and from January 1, 2009 through December 31, 2009 in other countries), but sometimes includes data for other periods.

## ■ Scope of Reporting

The environmental activities of Juki Corporation and the manufacturing companies in the Group are introduced.

## ■ Reference Guidelines

*Environmental Reporting Guidelines (Fiscal 2007 Version)* issued by the Ministry of the Environment in Japan

## ■ Time of issue

Month of issue: August 2010

We published our previous environmental report in October 2009, and plan to publish our next environmental report in July 2011.

Please send us your frank opinions and impressions by completing the questionnaire attached to this report. Your comments are valued, and we will incorporate them in our next Environmental Report.

## ■ Inquiries

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Juki Corporation

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\*Please visit our website if you would like to get more information on our company.  
[http://www.juki.co.jp/index\\_e.html](http://www.juki.co.jp/index_e.html)

### Disclaimer

This report contains not only a past and present fact of the Juki Group but also the forecast such as a plan or an estimate that is made at the time of issue. The forecast is an assumption or a judgment based on information that could be acquired when the report was made, and it has the possibility that the result of the business activity or the event in the future will become different from the forecast due to subsequent changes. Moreover, each data herein has the item for which the total is not suitable for the fraction processing. We would ask you to acknowledge the above.

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## Environmental Reporting

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## ■ Corporate Philosophy of the Juki Group ■

All employees of the Juki Group worldwide are committed to researching, developing, and manufacturing even better products and providing even better services based on the Group's Corporate Philosophy, Basic Management Policies, and Policies Guiding Employee Activities.

### ■ Corporate Slogan ■

# Mind & Technology

We create the products which contribute to the society, through "Technology with Heart" and "Customer Creed."

#### Corporate Philosophy

The men and women of Juki work hand in hand to spread happiness and enrich society.

Juki technologies are constantly evolving and creating new value.

#### Basic Management Policies

Promoting Total Quality Management.

Nurturing Strength and Flexibility in our Organization and in our People.

Running Our Company with the Best Management Practices of International Society.

#### Policies Guiding Employee Activities

Always think from the customer's point of view and respond swiftly.

Set one's own targets, accomplish the necessary roles, and expand them.

Act always as a trustworthy cosmopolitan.

## ■ Corporate Philosophy of the Juki Group ■

The "Juki Corporate Code of Conduct" set forth below was established as a guideline for living by the principles of our corporate philosophy. Based on this Corporate Code of Conduct, the men and women of Juki follow all laws, all international rules and regulations, and the principles underlying them in the spirit of responsible corporate citizens with sound social sense.

Juki aligns the pursuit of its own interests through fair competition with the interests of its customers, stockholders, business partners, and society. Benefits for society are benefits for Juki.

- 1 Juki creates and supplies products and services useful for society based on thorough considerations of safety, the protection of personal and customers' information, and the satisfaction and trust of its customers.
- 2 Juki conducts its businesses fairly, transparently, and in keeping with the principle of free competition while maintaining a healthy relationship with national governments.
- 3 Juki discloses its information fairly and consistently through open channels of communication with its shareholders and society as a whole.
- 4 Juki works to ensure safety and ideal working conditions for every employee with full respect for his or her personality and individuality.
- 5 Juki takes good care of the earth environment by using resources effectively, recycling, and saving energy.
- 6 Juki maintains ideal community relations as a good corporate citizen and contributes to society through local activities.
- 7 Juki takes a firm stand against antisocial individuals and organizations that adversely affect social order and sound business activities.
- 8 Juki observes the international rules and local laws as a matter of course, esteems cultures and customs, and endeavours to contribute to the development of countries.

If actions or events in contravention to the "Juki Corporate Code of Conduct" take place, top management at Juki takes immediate and thorough steps to remedy both the causes and outcomes.

## ■ Top Management Message

# Becoming an indispensable enterprise trusted and relied on by society based on our Mind & Technology Slogan and Customer Creed

The world economy embarked on a road to recovery in fiscal 2009, coaxed by the economic and fiscal policies set collaboratively by various governments and strong domestic demand from the rising nations. Prospects for improvement also materialized for Juki Corporation, largely through its strong business reforms and thorough strategy reviews in sales and marketing, manufacturing, development, and other areas. At the motivational level, Juki Corporation is impelled forward by its corporate slogan, "Mind & Technology" (technology the mind connects with), and its "Customer Creed." We will continue to offer products and after-sales services shaped from customer viewpoints, thinking always of the lessons we learn from customers and ways to create new value with customers.

Just ten years have passed since Juki Corporation built up its environmental management system. The establishment, maintenance, and improvement of mechanisms based on the ISO14001, the international standard for environmental management, have advanced in all of the environmental activities undertaken by all companies in the Group, including our manufacturers. Environmental management for the Juki Group of the future isn't merely a regime of activities practiced separately for "Environment," but an approach Juki Corporation must follow as a primary duty in everything it does. The design of the "DDL-9000B," a machine marketed from September 2009, is remarkable for its environmental dimensions, cost reductions, and excellent performance

overall. In our India exhibition, we introduced the many appeals of Juki's "JUKI ECO-PRODUCTS" and expanded our activities to propose the construction of a "customer's factory" with an ECO MIND.

Guided by the "ECO MIND Declaration," we continue to forge a path forward in 2010 as a united Juki Group. Working towards a "revival everyone clearly sees," we are striving to become a company trusted by the customers and societies, a company needed by customers in every country and region in the world as a global exemplar of Monodzukuri (the art of product-making). We will continue to ask for your support in the future.



清原 晃

Akira KIYOHARA  
President  
Juki Corporation



# Eco-friendly art of product-making of sewing machines

It is the DDL-9000 series that was developed as the number-one model in the lockstitch sewing machines of JUKI that boasts of a top share all over the world. DDL-9000B put on the market in September 2009 is a newest model that concentrated the technology of JUKI and was born. In the background, there was a development project that improved the functionality of the product and considered the environment.

## 1 A challenge to develop "The number-one model" unlike any other

The DDL-9000 series of an industrial sewing machine is "The number-one model" of JUKI lockstitch sewing machine with one needle. Especially, the product-making considering the environment was widely acknowledged as a strong point of JUKI. However, a special development project started in December 2008, which consisted of fourteen members, because of the intensive follow by other manufacturers. In this project, to widen the gap with excellent environment-conscious products, we set the targets, "Considering the environment and improving the quality," "Release in September 2009," and "Reducing the cost by 30% or more." Moreover, we challenged the energy saving, the resource saving, and 3Rs (Reduce, Reuse, Recycle) together with the "JUKI ECO-PRODUCTS AUTHORIZATION SYSTEM."

### Toshinobu SHINOZUKA

General Manager, R&D Center  
Corporate Officer  
Juki Corporation



The Juki Group started the "JUKI ECO-PRODUCTS AUTHORIZATION SYSTEM" in March 2009. It is a basic policy that the new products assume to exceed the old products in performance, marketability, and environmental consideration in the new product development. We execute "Product Environment Assessment" that reaches thirty-eight items from the early stage of the design. Only the product that clears the standard is authorized as the "JUKI ECO PRODUCTS." The industrial sewing machines division now declares it's a basic policy to acquire the "JUKI ECO PRODUCTS" authorization of all products.

#### Recognition product list

##### Industrial sewing machines

- AMS-210EN series
- AMS-221EN series
- AMS-224E series
- APW-895
- APW-896
- ASN-690 series
- DDL-8700-7/SC-920C/M92
- DDL-9000A series
- DDL-9000B series
- LH-3500ADD series
- LH-3500AVB series
- MF-3620A (Without a direct drive spec.)
- MF-3620 (With a belt drive spec.)
- MF-7200D series (Without a thread cutting)

##### Household sewing machines

- HZL-F series
- HZL-28

## 2 Searching out the best plan in a limited time

The development period given to DDL-9000B was about ten months. Therefore, unlike normal step, we advanced a partial making for trial purposes, the evaluation, and the analysis before the product planning. Moreover, because it was decided to exhibit it in the Cologne IMB 2010 (World of Textile Processing 2010) held in April 2009, a complete prototype was also requested. We executed an enough evaluation and the examination by using computer analysis etc., flexibly changing the development process, and concentrated not to ruin a speedy and high reliability.

The development of the number-one lockstitch sewing machine with one needle unlike any other is indispensable to be given the cooperation by the entire three sections in charge of the mechanism that is the frame of sewing machine, the electricity to support it, and the software to control the functions. Each person checked the state of the progress or the tasks once or twice in a week, and communicated with the planning and sales sections to say nothing of the cooperation by development, manufacturing, and procurement sections. Having concentrated all one's energy of the industrial sewing machines division resulted in a success.

## Succeeding in Environmental Consideration with "Light and Nimble"

We tried to reduce the number of parts, and lighten and downsize the entire product as consideration on an environmental side. The mechanism is newly reviewed, and consequently the number of total parts is reduced by 15% as a whole. Moreover, we were able to greatly increase the number of unit that can be transported at a time by succeeding in lightening the mass of the product by 14%, downsizing the packing size, and reducing the mass of the packing materials by 25%. In addition, we simplified the product structure by decreasing the number of parts, and improved the reliability of

the product. The prompt collection and recycling of parts became possible when the parts were abandoned, too.



### Katsuaki SAKAI

Senior Engineer  
First Designing Section, First Development Department  
Industrial Sewing Machines Division  
Juki Corporation



## 3 Achieving a Human-Earth-Friendly Sewing Machine

The initial goal of completed DDL-9000B was all attained. Since it was put on the market, we have got the high appraisal. We achieved the "Earth-friendly sewing machine" that enhanced a nature to environment compared with the past products, and "Operator-friendly sewing machine" that features the speed-up in thread cutting work, a low noise, and a low vibration, too. It was thought that it was difficult for this lockstitch sewing machine with simple structure to apply the additional value to the product. However, we were able to send the technology of JUKI again to the world as we succeeded in developing the product that completely exceeded the expectation at this time. We will spread the environmental load decrease plan in the manufacturing process and the development leading to the energy saving and the resource saving throughout the company, and aim at a further improvement of technology in the future.



### Suppressing power consumption, and reforming to the shared architecture without waste

It is a decrease in power consumption and standby power requirement that we concentrated in at this time. We newly developed a servomotor to control the sewing machine with intense acceleration and deceleration, and achieved the lower power consumption. Moreover, we were able to decrease standby power requirement by 37% by devising the circuit. In addition, we tried to reform to a basic structure considering sharing without waste, looking out at the development in the future. I think that having advanced the development cooperatively with each department produced these results.



#### Yoshihiko KUBOTA

Senior Engineer  
Third Designing Section  
First Development Department  
Industrial Sewing Machines Division  
Juki Corporation

### VOICE

### Voice from a Manufacturing Site

#### Eliminating a Waste during a Production, and Shortening the Processing Time

Juki Ohtawara plant examined the workability for DDL-9000B for a trial purpose and for mass production. They tried for the improvement on both the cost and the environmental load by shortening the processing time in cooperation with the development department. They searched for processing conditions without waste in communication with the person in charge of the design, and consequently succeed in shortening the processing time by 16.3% from a past processing method. Moreover, they have consciously improved the environmental load in the production method by using a small amount of oil mixed with compressed air instead of putting up oil directly on the processing site.

#### Tadayuki YAMAMOTO

Chief  
Manufacturing Technology First Section  
Manufacturing Technology Department  
Production Headquarters  
Industrial Sewing Machines Division  
Juki Corporation



#### The system of mass production with a little environmental load becomes possible because of the cooperation with each department.

There was a problem in the factory in Shanghai, China that has a high-volume production system, which scratches the painted surface easily because of long assembly process. At this time, under the guidance and cooperation with the Ohtawara plant and the development department, we solved the problem by original measures with a paper tape. In addition, we were able to decrease the grease used for assembly even 1/3 (one-third) by reviewing the proper amount of the grease, and also were able to greatly shorten the adhesion time by introducing the heating furnace and made mass production possible in the sealing process, too.



#### Tang Mingliang

Assistant Manager  
Assembly Section

#### Chen Jianzhong

Assembly Section  
Juki (Shanghai) Industrial Co., Ltd.

# Environmental Vision

The Juki Group conducts environmental activities on a daily basis according to its "Environmental Philosophy" and "Environmental Action Policy." We have done our ECO-MIND Declaration to promote our environmental conservation activities across the Group, including those to reduce our environmental load, conserve resources and energy, and foster recycling.

## The attitude towards Juki Group Environmental Conservation Activities

The Juki Group issued the "ECO MIND Declaration" that consists of "Environmental Philosophy" and "Environmental Action Policy" aiming to clarify the attitude towards the environment as a company and to share a MIND (mind and/or awareness) as an employee in October 1998. "ECO MIND Declaration" means that a mind of "Environment" is added to minds of "Quality," "Customer Satisfaction," and "Respect for Human Nature" included in a corporate slogan of JUKI, "Mind & Technology." Based on these, we have also formulated the "Juki Group Guideline for Environmental Conservation" which is a guideline used when the Juki Group concretely conducts activities for the environment, and has carried out the environmental prevention activities as the Juki Group. Moreover, we ensure that relevant information is exchanged and distributed throughout the Group, which will improve the level of environmental activities across the entire Group.

### ECO MIND Declaration

#### ECO MIND



#### Environmental Philosophy

Juki Group recognizes that activities of enterprises are closely related to the global environment, and is making efforts to:

1. Contribute to the local community and society by environment-conscious activities.
2. Provide people around the world with environmentally friendly products.
3. Play an active role to hand down a better global environment to future generations through continuous activities.

#### Environmental Action Policy (Revised in April, 2010)

1. Prevent global warming by promoting energy-saving in all business activities and use resource efficiently by implementing the 3Rs (Reduce, Reuse, and Recycle).
2. Provide products with less environmental load by planning, researching, developing, procuring, and manufacturing with environmental influences in mind.
3. Contribute to countries and regions by modifying environmental conservation activities to suit local conditions wherever Juki does business as a global company.
4. Observe environmental laws and other agreed requirements, and prevent environmental pollution.
5. Actively disclose environmental information.
6. Raise "awareness of ecological problems" among employees through educational campaigns.

## Environmental Targets set in Mid-Term Management Plan

The Juki Group set two targets in its Mid-Term Management Plan (fiscal 2008 through fiscal 2010); one is to reduce the CO<sub>2</sub> emissions (Basic Unit for sales) based on the environmental important policy, and the other is to formulate the voluntary standards of environment-conscious products and to develop the products which are able to clear the standards not later than fiscal 2010.

The Juki Group was able to reduce the CO<sub>2</sub> emissions by 36% in fiscal 2009 from the actual achievement in fiscal 2007 as each segment of the Juki Group has conducted activities to reduce the CO<sub>2</sub> emissions, but was not able to achieve the target set for the CO<sub>2</sub> emissions per sales.

An establishment of voluntary standards of the environment-conscious products was completed in fiscal 2008. Fourteen models that cleared the standards were put on the market in fiscal 2009, which the target was achieved a year earlier than planned.

## VOICE

We issued the "ECO MIND Declaration" in 1998 from the desire that Juki Corporation is able to have a "Mind" for not only an environmental practice as a company but also each employee who is able to act thinking about the environment. Moreover, ten years or more has passed since the issue and the ideas of the environment in the world are changing but we do not change the "Desire" that exists in the basis. However, we felt the necessity to include a direction in tune with the changes in an era, and went ahead to revise it at this time.

We clearly declare promotions of activities for the global warming prevention and 3Rs on both side of the products of JUKI and the active conduct of business in order to accomplish the social responsibility as a global company that has developed business activities across the world and also in view of the products of JUKI that have been regularly used all over the world. Moreover, we will infiltrate all workers in the Juki Group into such "Mind", and aim at contribution to the sustainable society.

#### Hiroshi NAKAMURA

General Manager, Planning Headquarters  
Managing Director  
Juki Corporation





# Environmental Targets and Results for Fiscal 2009

We have been setting common environmental targets that are suitable for the realities of each business for Juki Corporation and the manufacturing companies in the Group. We are promoting our environmental conservation activities while monitoring our progress in achieving the targets. We have set specific environmental targets to reduce our CO<sub>2</sub> emissions and decrease the total amount of waste.

## ■ Environmental Load Reduction Target

Environmental Target	Coverage	Numerical Target	Results	Review in FY2009 and Future Activities
Reduction in CO <sub>2</sub> emissions	The entire Group companies	Reduce by 3.4% per Basic Unit for each company from FY2006	Target achievement: One company	<p><b>Juki Group</b> (t-CO<sub>2</sub>)</p> <p>■ Total amount ■ Basic Unit (t-CO<sub>2</sub>/Million yen)</p> <p>2006 2007 2008 2009</p>
	Juki Corporation	Reduction by 6% in total amount from FY2008	Increase by 8.4% *	
Reduction in total waste emissions	The entire Group companies	Reduce by 10% per Basic Unit for each company from FY2006	Target achievement: Four companies	<p><b>Juki Group</b> (t)</p> <p>■ Total amount ■ Basic Unit (t/Million yen)</p> <p>2006 2007 2008 2009</p>
	Juki Corporation	Reduction by 10% in total amount from FY2008	Reduction by 29% *Excluding special waste generated by a move of the head office	
Reduction in OA paper purchase volume	The entire Group companies	Reduce by 5% per Basic Unit for each company from FY2006	Target achievement: Five companies	<p><b>Juki Corporation</b> (t-CO<sub>2</sub>)</p> <p>■ Total amount ■ Basic Unit (kg-CO<sub>2</sub>/m<sup>2</sup>)</p> <p>2006 2007 2008 2009</p>
	Juki Corporation	Reduction by 5% in total amount from FY2008	Reduction by 34%	

The target set for each of the companies in the Group per sales has not been achieved due to the change in a rapid economic environment, but total amount set for the entire of Juki Group has been decreased.

We work on the target that is unified to total amount in the next fiscal year or later.

\* The Basic Unit per each floor space decreases by a positive introduction of the energy saving equipment though total amount of the CO<sub>2</sub> emissions increased by the influence of the move of Juki Corporation.

## ■ Other Environmental Targets

Environmental Target	Coverage	Numerical Target	Results	Future activities
Introduction of environmental label system	Industrial sewing machines	More than 4 models recognition	14 models recognition	It works on the expansion of the recognition model.
	SMT systems	Execution of evaluation	Evaluation nonfulfillment	
	Household sewing machines	Execution of evaluation	Evaluation completion, 2 models recognition	
Reduction in power consumption for new products	R&D sectors	Amount of power consumption below or equal to conventional models	Accomplishment rate 86%	It works continuously.
Promotion of green procurement		100% achievement for guideline specification goods	Accomplishment rate 98%	It works continuously.
Observance of environmental law	Juki Corporation and the entire Group companies	0 violation numbers	One (nonconformity occurrence of non-RoHS parts use)	It takes thorough preventive steps.
Improvement of environment awareness and environmental knowledge		100% execution of environmental education	Accomplishment of a goal: 13 companies	It works continuously.

\* This data shows the targets and the results for fiscal 2009 of Juki Corporation and other domestic and overseas manufacturing companies in the Group shown on page 2.

\* The numerical values in the entire Group companies stand for those in Juki Ohtawara plant and the manufacturing companies in the Group.

\* Matsumoto Machinery Industrial Corporation has come off from an affiliated company as of June 2010, but it is included in the range of the object of the total as the Juki Group for fiscal 2009.

## Receiving the Results in Fiscal 2009.

The economic environment in fiscal 2009 was severe though the world economy began to trace the keynote of the recovery when looking back on fiscal 2009. In addition, it can be said that the management in Juki Corporation in fiscal 2009 was more difficult with lots of changes than ever before in fiscal 2009 when a head office Juki Corporation was moved in December 2009, the number of employees and the organizational structure was streamlined, etc.

We will take countermeasures in fiscal 2010 especially against the above negative results that the target for environmental load decrease was not achieved and there was unconformity with the environmental laws.

### ● Environmental Load Decrease Target

We have worked on setting a target to reduce CO<sub>2</sub>, Waste and OA papers at Basic Unit for sales in the companies in the Group, but a big unbridgeable gulf occurred by the influence of the depressed sales accompanying a big change in the economic between the target and the results. As for fiscal 2010, we will catch the Basic Unit as one of the indices from efficient aspect by unifying the targeted value to the Basic Unit.

### ● Observance of Environmental Law System

We found in the household sewing machine that the non-RoHS parts were mixed with the parts delivered by the supplier, which were detected with the fluorescent X-ray check machine owned in its own production foothold, and took proper countermeasures to replace with the RoHS parts. Then, we set up a new company called Juki Household Sewing Machine Corporation in April 2010 to unify one chain of command or instructions, and to strengthen total systems of the new company. This will enable us to take preventive steps thoroughly by braking reoccurrence before the parts are delivered by the suppliers.

# Environmental Management

The Juki Group is committed to contributing to the creation of a "sustainable society" by reducing the environmental load by its business operations. To this end, we have managers in charge of the environment at each of our companies in the Group under the Group's environment promotion system and are implementing environmental measures for continuous improvement.

## Promoting Environmental Management

The Juki Group abolished "Environmental Safety Conference" because of the management efficiency in March 2009, where the environmental preservation of the entire Juki Group and the basic policy or plan of the safety are discussed, to strengthen the role of the CSR Environment Department. However, the function concerning the environment was transferred in November 2009 from the CSR Environment Department to the Corporate Planning Department in order to perform the activities that are combined more with the management by taking an action quickly according to the recent changes in the environment and also developing the environmental target including the approaches to global warming, and the organization was incorporated newly in the Corporate Planning Department as an Environment Group.

The Environmental Targets set for the Group is examined in the "Management Strategic Council" which is supreme decision-making body of the company. After that, the policy or plan of environmental consideration for product is discussed in the "Product Group," and the policy or plan of environmental consideration for business activities is discussed in the "Environment and Energy Conservation Group."

The Juki Group set up "Environmental Conservation Promotion Team" respectively in the Industrial Sewing Machines Segment, SMT Systems Segment, and Staff Organization Segment to clarify the management system in each segment, and also improve energy to conduct environmental conservation activities, including the domestic and overseas manufacturing and sales companies.

## ISO14001 Acquisition Situation

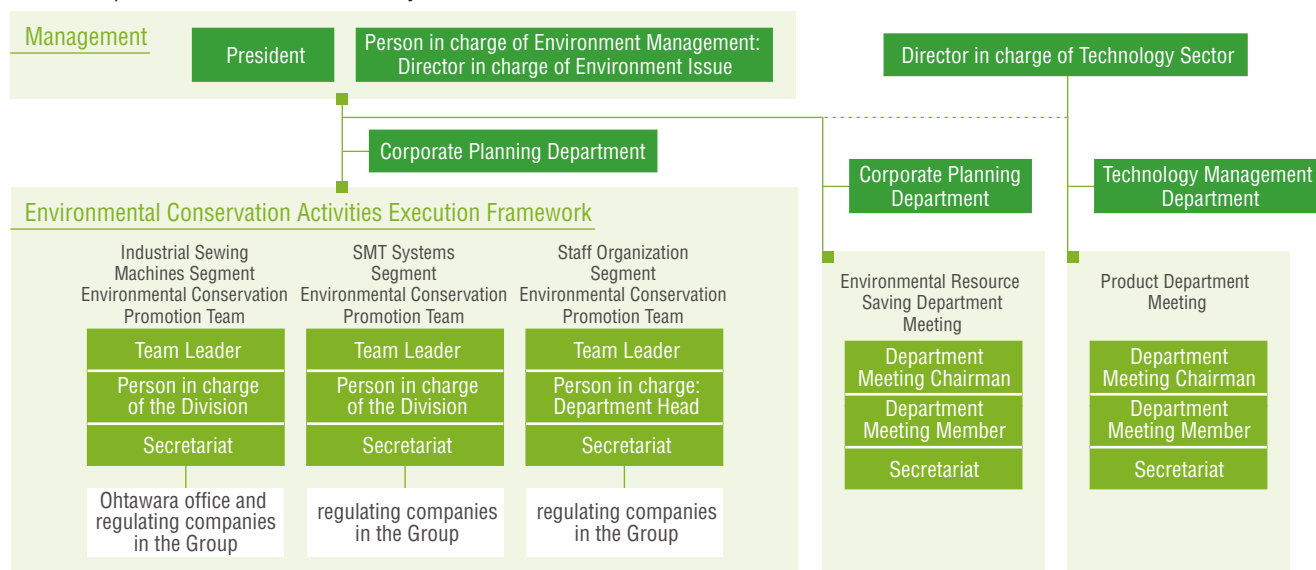
Juki Corporation and the manufacturing companies in the Group acquired the ISO14001, which is the standard of environmental protection, excluding one company, and have been doing the activities based on it. Even Juki (Shanghai) Industrial Co., Ltd. that has not acquired it as yet is advancing the activities based on the ISO14001 following the "Juki Group Guideline for Environmental Protection." Moreover, they are scheduled to acquire the certification of the ISO14001 for the further efficiency improvement of the management in December 2010, including the integration with the ISO9001 that has already been acquired.

## Regulatory Compliance

The parts for the sewing machines or the SMT systems are made through the processes such as the casting, the forging, the machining, the heat treating, the surface finishing, the washing, and the painting, and are then assembled to complete a product. In those processes, various type of environmental loads are generated by the use of the fuels such as electricity, crude petroleum, gas, the generation of smoke, dust, noise, and vibration, and the use or the exhaust of oil and chemical substances, etc. Therefore, the legal standards have been established for them.

Each manufacturing companies in the Group is undertaking the thorough management to clear those various types of legal standards based on the company's regulations including the monitoring or measuring method, the frequency, and the maintaining method of the equipment. Moreover, in addition to such a daily management, they are checking the legal adaptability when the internal audit of environment is executed, and confirming the appropriateness of the evaluation of observance.

### Juki Group's environmental conservation system chart



## ■ Conducting Internal and External Audits

The Juki Group that obtained the ISO 14001 are audited by internal auditors and external organizations to check whether the environmental management systems function in an effective manner.

The companies conduct internal audits on the systems at least once a year, focusing on compliance with laws and regulations and the degree of progress toward the achievement of the predefined targets.

In addition, they have the systems objectively audited by external organizations once a year, and make appropriate responses to all comments from the external auditing organizations as well as to all matters needing improvement that are identified through internal audits.

## VOICE<sup>2</sup>

I have been engaged in the environmental management promotion business since April 2000. Just ten years have passed. Meanwhile, I have served as secretariat for the internal environmental audit, and a lecturer of the internal environmental auditor training for Juki Corporation and some manufacturing companies in the Group. Some sections are still strongly conscious that the "Environment is separately dealt with." So, the activity as a primary business has been once hard to be penetrated throughout the companies. Meanwhile, I thought it with auditors and audited section members in an internal environmental audit, and felt delighted with a consciousness about a new approach by a manager of the audited section. Moreover, I think that the internal audit is placed in an important position to make us find out various types of problems or challenges for continued improvement, and also help us keep in-house communication. So, I wish to review the system so that the internal audit might be operated more efficiently because we put a considerable man-hour on it every year.

### Noriko OKASHIWA

Environment Group  
Corporate Planning Department  
Planning Headquarters  
Juki Corporation



## TOPICS

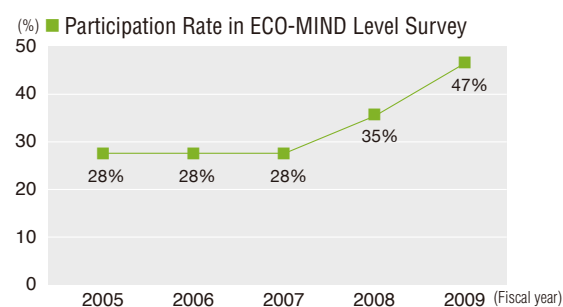
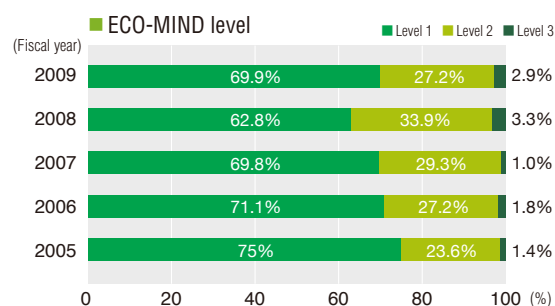
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## Execution of "ECO-MIND Level Survey"

Juki Corporation understands the current state at its employees' environment awareness and actual action level in the daily life, and has executed the "ECO-MIND Level (Individual knowledge and action level) Survey" every year since fiscal 2005 to further improve it.

As the result in fiscal 2009, the acknowledgment level of each term of "Biodiversity", "3Rs", and "Global warming" went up on the knowledge side, and we were able to know the rise of the degree of interest, and the increase in those who "buys only the necessary one, doesn't buy any extra one, and will not receive it." on the behavioral side. Consequently, those who take pro-environmental behavior are increasing.

The participation rate has risen in five years year by year, and reached 47%, nearly 50% in fiscal 2009. We are promoting The *Hitodzukuri* (the art of personnel development) with high environment awareness and action level, aiming at 50% or more in fiscal 2010.



\* Employees are classified into three levels [Level 1 (low) to Level 3 (high)] according to their level of environmental knowledge and their conduct.

# Environmental Performance

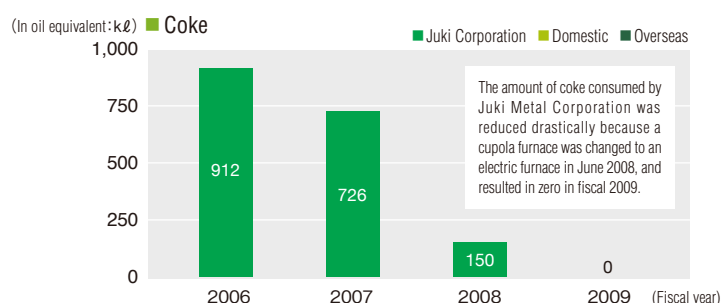
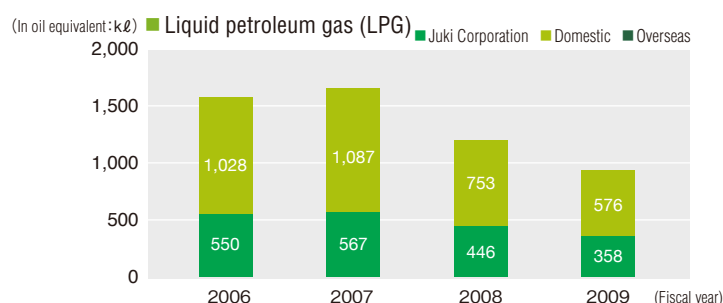
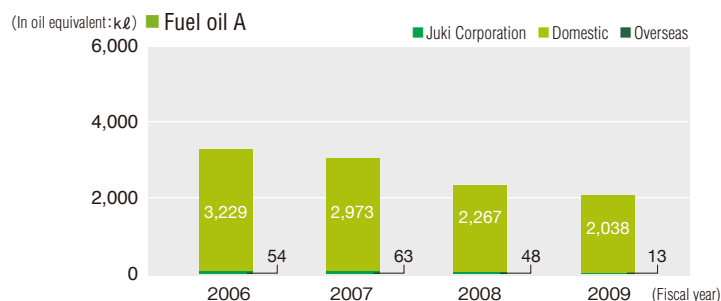
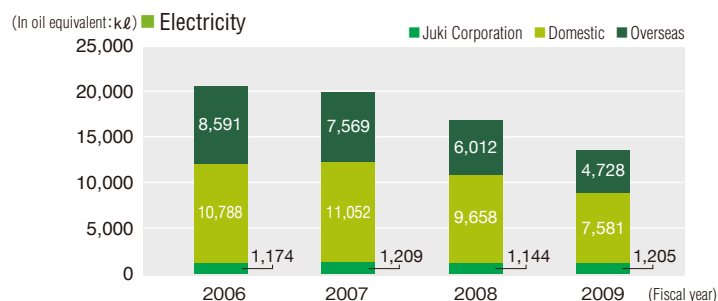
The following table shows our environmental performance data for the past four years. We will further expand the scope of our environmental performance data to include more items and will strive to improve our environmental performance.

	Item	FY2006	FY2007	FY2008	FY2009
Juki Corporation	CO <sub>2</sub>	2,821 t-CO <sub>2</sub>	2,938 t-CO <sub>2</sub>	2,724 t-CO <sub>2</sub>	2,953 t-CO <sub>2</sub>
	Electricity	4,565 MWh	4,699 MWh	4,448 MWh	4,685 MWh
	Fuel oil A	53 kℓ	62 kℓ	48 kℓ	13 kℓ
	Gas	16,000 m <sup>3</sup>	12,000 m <sup>3</sup>	9,000 m <sup>3</sup>	102,000 m <sup>3</sup>
	Gasoline	48 kℓ	59 kℓ	46 kℓ	45 kℓ
	Water	17,000 m <sup>3</sup>	17,000 m <sup>3</sup>	16,000 m <sup>3</sup>	14,000 m <sup>3</sup>
	Drainage	15,000 m <sup>3</sup>	14,000 m <sup>3</sup>	13,000 m <sup>3</sup>	13,000 m <sup>3</sup>
	Final waste disposal	0.2 t	0.03 t	0.05 t	0 t
	Total waste emission	96 t	114 t	103 t	181 t
Other domestic manufacturing companies in the Group	CO <sub>2</sub>	38,554 t-CO <sub>2</sub>	37,461 t-CO <sub>2</sub>	29,313 t-CO <sub>2</sub>	23,299 t-CO <sub>2</sub>
	Electricity	41,942 MWh	42,966 MWh	37,547 MWh	29,474 MWh
	Kerosene	301 kℓ	306 kℓ	138 kℓ	177 kℓ
	Fuel oil A	3,270 kℓ	2,947 kℓ	2,247 kℓ	2,020 kℓ
	Liquid petroleum gas (LPG)	424,524 kg	437,676 kg	344,346 kg	276,365 kg
	Gasoline	102 kℓ	92 kℓ	76 kℓ	45 kℓ
	Light oil	128 kℓ	113 kℓ	76 kℓ	35 kℓ
	Acetylene	205 kg	127 kg	135 kg	36 kg
	Coke	1,174,720 kg	934,960 kg	196,660 kg	0 kg
	Methanol	5,760 kg	5,760 kg	2,880 kg	0 kg
	Water	382,000 m <sup>3</sup>	387,000 m <sup>3</sup>	321,000 m <sup>3</sup>	262,000 m <sup>3</sup>
	Drainage	328,000 m <sup>3</sup>	339,000 m <sup>3</sup>	279,000 m <sup>3</sup>	242,000 m <sup>3</sup>
	Final waste disposal	876 t	612 t	618 t	620 t
	Total waste emission	7,708 t	7,094 t	5,814 t	3,473 t
	CO <sub>2</sub>	24,436 t-CO <sub>2</sub>	20,074 t-CO <sub>2</sub>	15,601 t-CO <sub>2</sub>	12,146 t-CO <sub>2</sub>
Overseas manufacturing companies in the Group	Electricity	33,397 MWh	29,426 MWh	23,373 MWh	18,379 MWh
	Kerosene	0.4 kℓ	1.4 kℓ	0 kℓ	0 kℓ
	Gas	72,000 m <sup>3</sup>	90,000 m <sup>3</sup>	53,000 m <sup>3</sup>	0 m <sup>3</sup>
	Liquid petroleum gas (LPG)	794,029 kg	839,401 kg	581,481 kg	444,713 kg
	Gasoline	118 kℓ	111 kℓ	99 kℓ	77 kℓ
	Light oil	262 kℓ	296 kℓ	204 kℓ	166 kℓ
	Acetylene	975 kg	900 kg	609 kg	24 kg
	Natural gas (NG)	—	—	4,078 Nm <sup>3</sup>	23,552 Nm <sup>3</sup>
	Water	324,000 m <sup>3</sup>	408,000 m <sup>3</sup>	346,000 m <sup>3</sup>	248,000 m <sup>3</sup>
	Drainage	283,000 m <sup>3</sup>	366,000 m <sup>3</sup>	313,000 m <sup>3</sup>	213,000 m <sup>3</sup>
	Final waste disposal	2,114 t	1,780 t	1,090 t	1,226 t
	Total waste emission	4,406 t	4,074 t	2,646 t	2,415 t

\* This table shows environmental performance data for Juki Corporation and other domestic and overseas manufacturing companies in the Group shown on page 2.

\* A data for Juki Ohtawara plant is included in other domestic manufacturing companies in the Group

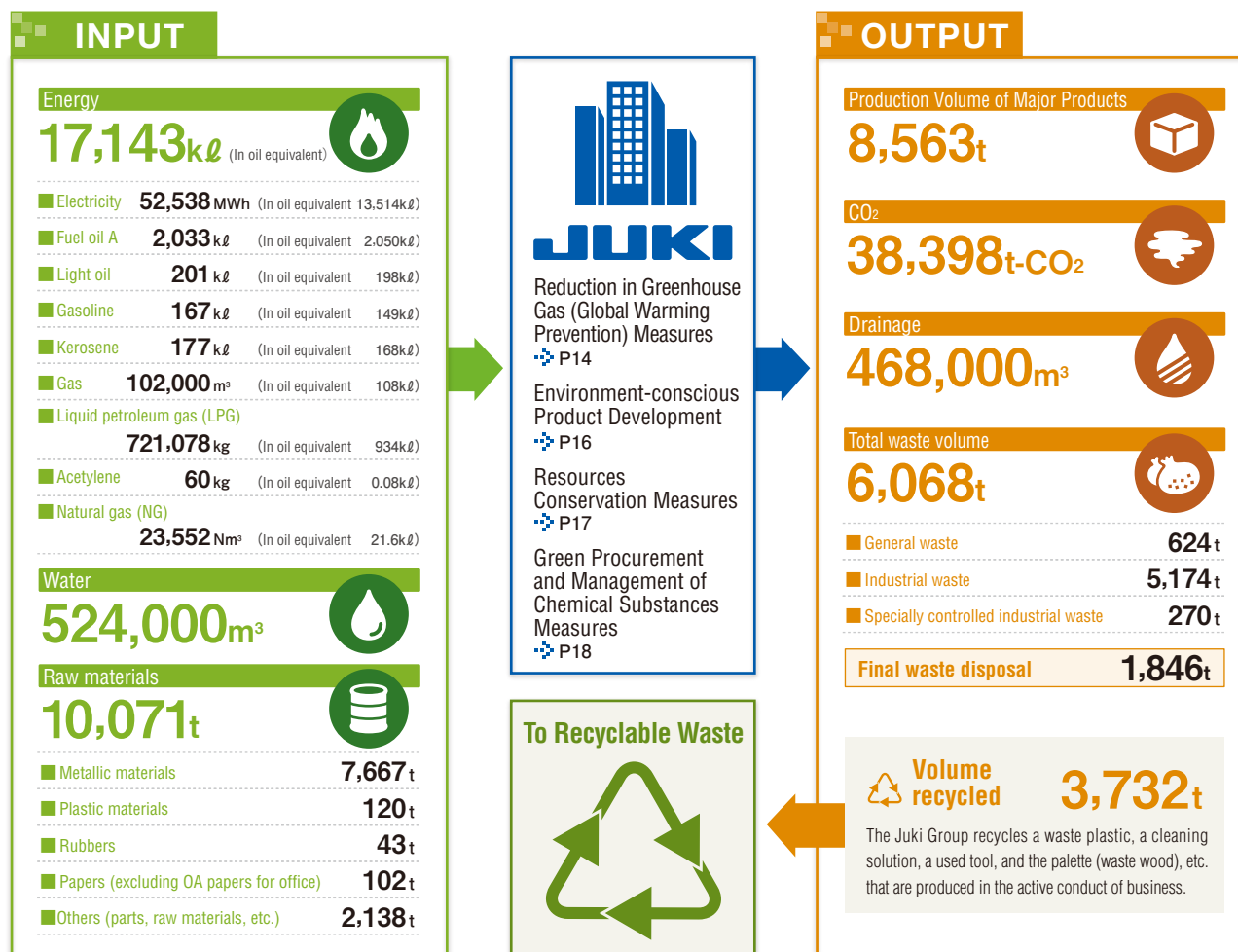
\* Matsumoto Machinery Industrial Corporation has come off from an affiliated company as of June 2010, but it is included in the range of the object of the total of "Domestic manufacturing companies in the Group" for fiscal 2009.





# Environmental Load by the Juki Group's Business Activities

The Juki Group uses a lot of energy and resources in manufacturing its products, including precious minerals used for parts and materials. In light of this fact, we are endeavouring to make effective use of resources and energy, and to identify the environmental load of our business activities.



\* This table shows environmental performance data for Juki Corporation and other domestic and overseas manufacturing companies in the Group shown on page 2.

\* There are some group companies that do not have enough information on the raw materials.

\* Matsumoto Machinery Industrial Corporation has come off from an affiliated company as of June 2010, but it is included in the range of the object of the total of "Domestic manufacturing companies in the Group" for fiscal 2009.

**INPUT**

- **Crude oil equivalent** : means the conversion volume to crude oil by using the heating value for comparing the different energy volume in a common measure.
- **Electricity** : means the electric power used in the factories and offices.
- **Fuel oil A** : is used for operating the equipment such as drying furnace at painting facilities.
- **Light oil** : means the fuel for trucks.
- **Gasoline** : means the fuel for company-owned cars.
- **Kerosene** : means the fuel for warm-air heating.
- **Liquid petroleum gas**: means the fuel for regular-use electricity generator
- **Acetylene** : means the fuel for gas welding at repairing the equipment, cutting and soldering the sheet steel.
- **Natural gas** : means fuels for cooking in a dining room or for supplying hot water to a bathroom
- **Metallic materials, plastic materials, and rubber** : means material for parts.
- **Paper** : means the cardboard for transportation, packing and packing of products, and for preventing collapse of cargo, dent of products at manufacturing processes.

**OUTPUT**

- **CO<sub>2</sub>** : is caused by use of electricity and fuel.
- **General waste** : means all wastes discharged from homes and enterprises except industrial wastes. Garbage such as kitchen and left over garbage discharged in the business activities is included.
- **Industrial waste** : means 20 kinds of waste set up by laws, rules and regulations within the wastes caused by the business activities such as factories. Included are the abolished sand used at moulds, pallets (made of pellets of wood), cutting oil, prototype machines used at experiments and research.
- **Specially controlled industrial waste** : means high explosibility, toxicity and pestiferousness which may cause the suffering to the human health and life environment. Especially severe management is indispensable. They include old condensers.
- **Final waste disposal** : means to be filled with garbage as reclaimed disposal sites.
- **Recycle** : means the effective use by recycling as resources.

# Reduction in Greenhouse Gas (Global Warming Prevention) Measures

Carbon dioxide (CO<sub>2</sub>) is the largest contributor to global warming. The Juki Group is actively acting to reduce its CO<sub>2</sub> emission by reducing a consumption of electricity and fossil fuels at its manufacturing bases and also to promote a modal shift by changing to transportation by rail that has less environmental load during the transportation of its products.

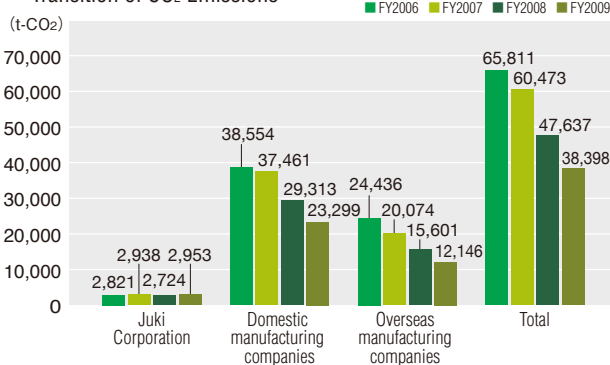
## ■ Reduction in CO<sub>2</sub> Emissions

The Juki Group is doing various activities including the review of the production method and the equipment operating time to reduce the consumption of the electric power that accounts for 70% or more of the CO<sub>2</sub> emissions.

The Juki Group is promoting the "Light-down campaign" that the Ministry of the Environment called on concurrently with the energy saving and enlightenment to the employees in fiscal 2009, where six companies in Japan including Juki Corporation and Juki Ohtawara plant participated for the first time.

As a result of these efforts, we were able to reduce the amount of CO<sub>2</sub> total emissions in the entire Juki Group about 19% from the previous fiscal year, but this might be due to the decrease in the production volume. So, we will advance the activities for further reductions including the increased production efficiency etc. in the future.

### ■ Transition of CO<sub>2</sub> Emissions



## ■ Measures Implemented at the Production Stage

The Juki Group is advancing the activities for "Reduction in CO<sub>2</sub> = Cost reduction and Production efficiency increase." In the painting process of Juki Ohtawara plant, we introduced "Powder coating" for the human body that does not contain a harmful organic solvent in October 1989, and afterwards developed it to the factories in the world. However, because the powder coating used a lot of energy at the high temperature, the process was simplified. For a further process improvement, we are working on a switch to painting with fine particle now at the low temperature.

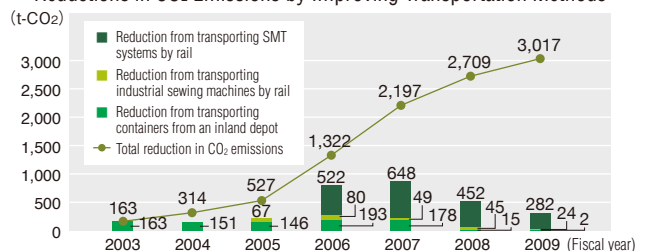
Juki Matsue Corporation integrated two factories into one in July 2009, and was able to reduce the CO<sub>2</sub> emission of 754 tons as a result by 28% from the previous fiscal year though the production volume decreased. Moreover, Juki Xinxing Industry Co., Ltd. reduced the electric power by 40% or more from the previous fiscal year by taking countermeasures such as making one of the assembly line.

## ■ Measures Implemented at the Transportation Stage

The Juki Group promptly started in March 2010 to use the inland depot (terminal for the marine container set up on the inland ground), which was newly established at the Morioka freight terminal station, for the inland container transportation of the pick-and-place from shipment base in Yokote City, Akita Prefecture), and achieved the railway transportation ratio 100% in April of the same year. We will promote a modal shift as "Eco Rail Mark authorization company," which was recognized by the Ministry of Land, Infrastructure, Transport, and Tourism, in cooperation with the JR freight and each company of other physical distribution companies in the future, using a new method one after another.



### ■ Reductions in CO<sub>2</sub> Emissions by Improving Transportation Methods



\* "The Basic Unit for the CO<sub>2</sub> emissions per each transportation ton kilometer according to the transportation" were changed in fiscal 2009 in accordance with "The common guideline in the calculating method of the CO<sub>2</sub> emissions in the logistics field," and former numerical values are retroactively corrected.

## VOICE

Three companies in Akita Prefecture, which are producing SMT systems, carried the parts to Juki Ohtawara plant in Tochigi Prefecture for having the parts painted, and returned them to Akita Prefecture for a final assembly after the parts had been painted. They set up the painting work in Akita Prefecture in May 2009, which resulted in the improvement of the long-distance transportation of the parts.

Moreover, after building the system of performing the best parts supply by using the vacant track between three companies in Akita Prefectures, and they were able to reduce the keeping space in the external warehouse, the storage charge, and the time to go to the warehouse and pick up the parts. Moreover, they will call this system "DAY CARRY"



from the brevity code of each company, and advance the improvement continuously in the future.

**Shin WAGATSUMA**  
Manufacturing Technology Section  
Manufacturing Technology Department  
Juki Denshi Kogyo Corporation

## Environmental consideration design in new premises

The operations at new premises where the environment and conservation of energy had been considered as a new base of the Juki Group started in December 2009. The amount of the energy use has been measured according to the energy type (Electricity, Gas, and Water), the usage, and the zones, and the system (BEMS) that can do the operation improvement and the energy-saving equipment such as rain water processor and high insulated layer (Low-E) glass have been positively introduced. In addition, "A rank" equivalent by CASBEE (General Environmental Performance Evaluation for a Building) has been given for the environmental performance. In addition, the easiness to use has been considered in the planning of space where the interpersonal communication can be naturally kept as well as an environmental side.



### ■Using rain water

The rainfall on the roof side has been collected, and after the sand filtration sterilization processing, the rain water has been used for the rest room washing water.

### ■Blocking solar insulation

The solar insulation load has been controlled by using the high insulation (Low-E) glass, and the air-conditioning load decrease has been achieved. Moreover, the titanium coating was spread out on the outside wall and the glass, the self purification with natural light and rain water has been induced, and natural energy has been used.

### ■Promotion of rooftop and premises greening

The insulation efficiency in the building was improved by greening the rooftop and the premises as much as possible (about 2.5 times the greening standard area of Tokyo), and it has contributed to preventing the heat island. Moreover, an office-making which eases employee's tiredness and brings comfort to employees has been promoted.

### ■Lighting control

The saving of energy has been being attempted mainly with the Hf (High frequency) fluorescent lamp that is highly effective and has long life, necessary brightness being secured by the dimmer control according to the state with the dimmer sensor.

# Environment-conscious Product Development

The Juki Group is committed to procuring materials and parts that have met both domestic and overseas regulatory requirements. We are implementing measures to conserve energy, reduce our environmental load, mitigate noise and vibration from our products, and reduce the generation of waste so that we can manufacture products in an environmentally conscious manner right from the product design stage.

## ■ Basic Policies for Product Development

The Juki Group believes that products should be environmentally friendly as a prerequisite for satisfying customers. Based on this idea, we are working on the development of product.

For the JUKI product used all over the world, we execute environmental performance evaluation from the development phase, which is called "Product Environmental Assessment" in whole of the product life cycle from the material procurement to production, use, and the collection and recycling, not to mention suiting the environmental and safety regulations in each country from the development phase.

What we concentrate most in those is a stage of the product used by the customer. Concretely, we work, from planning stage of the product developments, on the emphasis targets which are set for the improvement of quality on the product used by the customer, the reduction in consumption power when in use, decrease in consumption power when on standby, reduction in amount of the consumption material, suppression of the noise, vibration and heat generation, and securing guaranty period for the product.

## ■ Environmentally Conscious Design of Household Sewing Machines

For the domestic sewing machines, we are trying to reduce power consumption by using the LED light or reviewing the power supply and the motor. Moreover, we put the household sewing machine "Exceed," which reduced power consumption by about 17% compared with the conventional modes, on the market in April 2009.

In addition, we are giving priority to the activities to improve the needlework quality. The improvement of the needlework quality is a big function to give the comfort to the customers, as well as eliminate the wasteful cloth and thread, and contribute to the energy saving by shortening the needlework time. Furthermore, we come to release the "EXCEED" by establishing the technology of sewing stably even if the type of the cloth was changed through a complete review of a past feeding mechanism.

Moreover, as for the observance of the law, we are doing the continued activities to various types of restrictions to the product for a general customer, which are RoHS/WEEE Directive in Europe and Containers/Packaging Recycling in Japan.



Exceed (HZL-F600JP)

## ■ Environmentally Conscious Design of SMT Systems

For SMT systems, too, we are advancing the measures for the environmental load decrease of the product from the overall viewpoint. Both an electric and a mechanical type of tape feeders can be used for the FX-3 (having a specification to use both type of tape feeders), which is a high-speed pick-and-placer released in September 2009, with the overall feeder exchange trolley (used for exchanging tape feeders at a time). It is the first thing in the industry to use both types of tape feeders for one machine. Making the effective use of the resource excels at economic efficiency and contributes to the resource saving.

Moreover, the manufacturing process of electronic equipment using the surface mounting technology accompanies the customer's big load in the process of making the quality before mass production, including the use and the abandonment of the resources such as the consumption of large energy and parts. The "Placement Monitor" released in November 2009 is the first system in the industry that takes a picture and records the moment at a placement and pickup of components with the sub miniature camera installed in the place-and-placer. Moreover, we aim at a defective analysis and the work efficiency improvement during a mass production, and achieve the reduction of burden to the customer and the environmental load decrease.

## VOICE

The pick-and-placers that we are developing can be used for ten years or more by regularly maintaining it. Therefore, by always adopting the designs of lighting parts and programs that smoothly control the servomotor while advancing the new product development, we aims at the reduction in the power consumption of the pick-and-placer because the reduction in power consumption enables conservation of energy for a long term. Moreover, isn't the consideration for the environment, the recycling of parts that will be requested for the manufacturing devices in the future through it has already been executed in all industrial sewing machine? The disassembly and re-processing of the recycled parts is easy, and the sharing of parts that is not affected by the model and the generation becomes necessary. I want to work on this recycling, and to advance the eco-making for the pick-and-placers.



**Takeshi WADA**

General Manager, Engineering Department-  
Deputy General Manager, Development Department  
Electronic Assembly & Test Systems Division  
Juki Corporation



# Resource Conservation Measures

We are continuing with our 3Rs (Reduce, Reuse, and Recycle) to conserve resources, including reduction of the volume of paper used for copying and printing, more effective use of resources, and reductions in the waste emitted by our offices and factories.

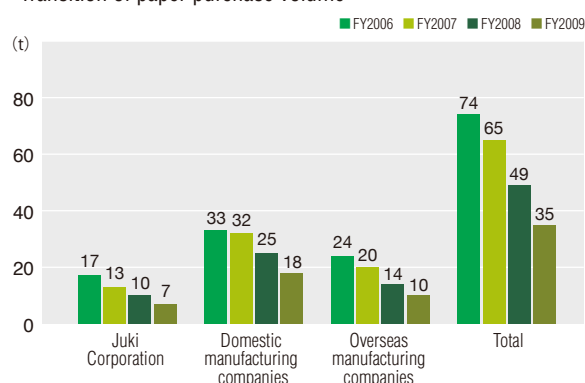
## Effective use of paper resource

The Juki Group has been encouraging the digitization of conference materials or sales promotional materials, use of both sides of copied and printed sheets, and paperless business operations using email.

Juki Corporation, which has used the paper of about 20% in the entire Juki Group, switched dedicated copy machines to compound machines that are able to copy, fax, and scan in one unit when Juki Corporation was moved in December 2009. As a result, the users came to manage the output number of sheets individually, and the consumption of paper reduced by 34% from the previous fiscal year or by 61% from fiscal 2006.

Moreover, the companies in the Group suppressed total amount by limiting the paper purchase or allocating the used sheets to each section to aim at the thoroughness in the reduction. As a result, the amount of the paper purchase in the entire Juki Group reduced by 29% from the previous fiscal year.

### Transition of paper purchase volume



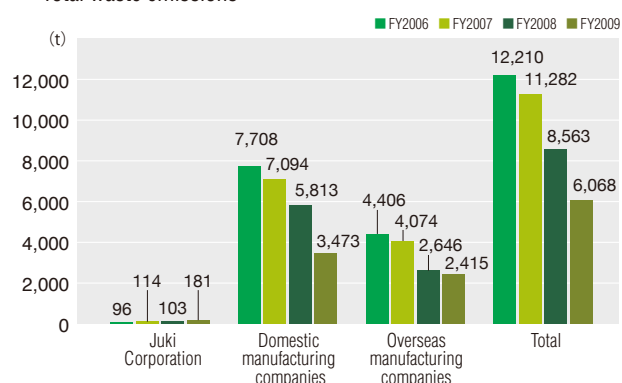
## Reduction of waste

The Juki Group works on the reduction in waste in each factory, by promoting the recycle of a waste plastic, a cleaning solution, a used tool, the pallet (woodchip), and the corrugated cardboard.

Juki Denshi Kogyo Corporation improved the recycling rate by persisting in the discretion of the metal and the vinyl chloride from the metal and the plastic mixture that has been incinerated as a waste plastic so far, and greatly reduced incineration and landfill.

Moreover, Juki Yoshino Kogyo Corporation selected the cutting oil, extended the use period by introducing the filtration device to restrain exhaust by the rot of the soluble cutting oil, and reduced sewage by abolishing deburr in the barrel polishing process. As a result, both two companies reduced total waste emission by 40% or more from the previous year.

### Total waste emissions



## TOPICS

3

### Activities by Juki (Shanghai) Industrial Co., Ltd.

The Juki Group has switched the corrugated cardboard used to transport parts etc. to reusable "Returnable box". For example, Juki (Shanghai) Industrial Co., Ltd. is promoting the use of the commuting box between the Group companies and to the customers in China, and is attempting the resource saving and the reduction in waste reduction by reducing the foam materials or reusing the plastic bag that subdivides the parts. They introduced the thinner collection machine in fiscal 2008 to persist in reusing, changed the thinner used for the cleaning processes of parts to the supersonic wave in fiscal 2009, promoted the use of an organic solvent, and reduced the consumption of the thinner 140 liter a month. Moreover, they executed "Environmental Knowledge Contest" to improve the all workers' consideration on June 5, the World Environment Day. Suggestions for improvement of water saving, energy conservation, and trash separation have also increased with the improvement of the environmental consideration.



Parts are delivered with "Returnable box" that can be repeatedly used.

# Green Procurement and Management of Chemical Substances Measures

In order to provide customers with environment-conscious products, the Juki Group formulated the "Juki Group Green Procurement Activity Guideline" in August 2004 and has since been conducting green procurement activities. We update the "Guideline" from time to time to respond to new environmental regulations in a proactive manner.

## ■ Activities for Green Procurement

Based on its ECO-MIND Declaration, the Juki Group formulated the "Juki Group Green Procurement Activity Guideline" in August 2004. Utilizing the study data and technical materials accumulated in the course of these efforts, we have been designing, developing, and manufacturing products in compliance with the Guideline. We responded to the EU's RoHS <sup>\*1</sup> Directive in 2006 and to China's RoHS Directive in 2007. We complied with new regulations such as the EU's PFOS and formaldehyde regulation in California, the U.S. in 2008, and reviewed the "Juki Group Green Procurement Activity Guideline" following the revision of JIG <sup>\*2</sup> in 2009. We will work on complying with new SVHC <sup>\*3</sup> under EU REACH restriction in 2010. Therefore, we will promote its activities with the suppliers by changing from the survey based on Juki original table to the unified survey method in the industry that is based on the supply chain.

<sup>\*1</sup> RoHS is an abbreviation for "Restriction of Hazardous Substances" and the RoHS Directives restricts the use of 6 hazardous chemical substances (lead, hexavalent chromium, mercury, cadmium, PBB, and PBDE) in computer, home electrical appliance, and others.

<sup>\*2</sup> JIG is an abbreviation for "Joint Industry Guide," which is a guideline for contained chemical substance information disclosure on electric and electronic product to share the information on substance managed for green procurement.

<sup>\*3</sup> SVHC is an abbreviation for high concern substances "Substances of Very High Concern". The substances indicate the ones with the possibility to cause person's health or environment the serious negative impact, such as the carcinogen or the substances that causes the abnormality of the genes.

## ■ Management of Chemical Substances

The Juki Group, which is using chemical substances in the manufacturing process of sewing machine and pick-and-placer, is strengthening measures to minimize the environmental load of all the chemical substances used in our products. Each of our factories has their own rules for the management of these substances and ensures safety right through the purchase, use, storage, and disposal stages of these chemicals as set out in their MSDS <sup>\*4</sup>.

<sup>\*4</sup> MSDS is an abbreviation for "Material Safety Data Sheet," which shows the information required for the safe treatment of chemical substances (information on ingredients, disposal method, emergency treatment method, etc.) Manufacturers publish MSDSs for each of their products.

## ■ Prevention from Environmental Pollution

The Juki Group thoroughly prevents pollution by the leakage of chemical substance or fuel when taking it in production equipment, storing, or using it. Moreover, the Juki Group takes preventive measures against the leakage by setting up the leakage prevention device around the entrance, and building a double embankment around the storage tank and the waste tank.

Moreover, we made the countermeasure manual that assumes the natural disaster, the accident, etc., and prevent pollution by preparing the necessary kits or conducting the training regularly.



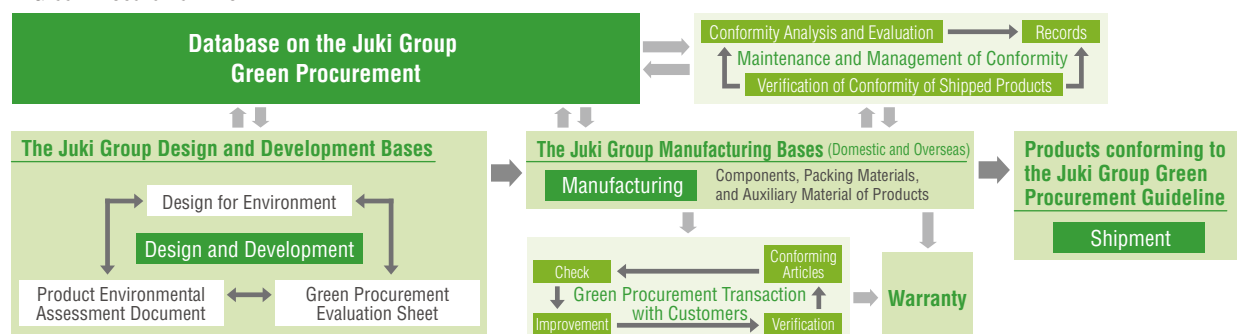
Treatment training that assumes leakage of chemical executed in Juki Metal Corporation in July 2009

## ■ Activities for Reduction in Hazardous Chemical Substances

The Juki Group works on the reduction in the chemical substances, which is introducing the collection and processing unit to decrease the exhaust to the atmosphere and water, etc., converting to the alternative substances in the procurement of materials, and switching to the manufacturing process that reduces the emissions of chemical substances.

The chlorinated organic solvent with strong hazardous property was used for washing and the degreasing process etc. of parts in the factory, but the trichloroethylene and the dichloromethane were abolished by the switch of the water solubility to the solvent and the change in the work method, etc. in Juki Ohtawara plant in 2001. Also in other Group companies, JUKI Hiroshima Corporation and Matsumoto Machinery Industrial Corporation abolished the trichloroethylene in 2007, and Juki Aizu Corporation abolished the dichloromethane in 2008.

### ■ Green Procurement Flow



# Environmental Communication

## ■ ■ An environmental education is promoted and reinforced.



Trainees from Vietnam

### Activities by Juki Corporation

#### Expansion of training and education

We at Juki Corporation has promoted educations that closely reflect to the primary business since fiscal 2002, casting off from the "paper, trash and energy-saving" through the internal audit, and newly created an environmental education course to managers in fiscal 2008. Moreover, we made a training program with the drills to understand the relation between the primary business of JUKI and environment by switching from the visiting lecturer to an internal lecturer to make it to the content more suitable for the realities of JUKI in fiscal 2009. Forty people in total are taking part in the training session.

For the technical employees, the items regarding the environment such as "energy-saving" or "recycling" are included in the "Technological Capabilities Survey" which has been continuously done every year since fiscal 1984.

### Activities by the Juki Group

#### Enlightening the ECO MIND

We gave a basic education concerning the environment to the engineers who came from JUKI (Vietnam) Co., Ltd. to Juki Corporation to have the training in March 2009. There was impressions such as "The cause of global warming and the importance of 3Rs was understood through a lecture," "A bad material for the environment should not be used when products are designed," and "Everybody's action is important for the environment."

#### Promoting the ECO authorization

The Juki Group has promoted the examinations for ECO authorization (Managed by the Tokyo Chamber of Commerce and Industry) in the domestic companies in the Group since fiscal 2008. Ninety-six persons in total passed ECO authorization in fiscal 2009.

## ■ ■ The exhibition of the environmental consideration product was held in India.

Juki India PVT. Ltd. held "JUKI 100% Semi Dry Head Exhibition" in December 2009 so that the product and factory considering the environment more might spread. They compared the eco-factory with a conventional factory, exhibited the state-of-the-art sewing and eco-friendly sewing machine of a dry type in total eight bases, India. Seven hundred fifty three customers visited us. Moreover, we positively held the research seminar to satisfy a high demand from customers who manufactured clothes as the consciousness to the environment rises year by year in India, too.



The left : Major customers, Karnataka state government, and Needlework export promotion society, who participate in opening ceremony in Bangalore

The right : Those who are interested in dry sewing machines

### Comment

I think that we were able to deliver our idea and posture toward the environment to the visitors though the product exhibition that makes "Environmental consideration" a key word was planned for the first time. Moreover, we want to strengthen the relationship with the customers, tying up with apparel manufactures, and to try to spread and to expand the environment-conscious products in the future.



**Mayur Doddabela**  
Manager  
Plant Engineering Department  
Juki India PVT. Ltd.

## ■ ■ Fiscal 2009 was the tenth anniversary of "Environmental *Senryu* (17-syllable satirical poem)."

Fiscal 2009 was the tenth anniversary of "Environmental *Senryu*" that had continued since fiscal 2000 to enlighten employee's environment awareness. The heightening of consciousness across the Juki Group will be attempted through various approaches in the future.

# Responsibilities to Stakeholders

The Juki Group believes that conducting business activities fully oriented towards its stakeholders will increase its corporate value and generates mutual profits. We are implementing this to make ourselves into a corporate group that fulfills the needs of all of our stakeholders.

## Customers

The Juki Group will ensure that the products and the services that can be used for a long time will help customers maximize their value. We aim to continue to build and deepen the bond of trust we have with our customers.



## Shareholders

We are improving our financial position and shareholder value and are committed to distributing dividends in a stable manner. Also, in order to promote communication with shareholders and investors, we are actively disclosing our corporate information in a fair manner.



## Involvement in Stakeholders

## Business Partners

To ensure coexistence and co-prosperity with suppliers, we give explanations and provide education to them regarding (1) fair and unbiased competition, (2) compliance with contracts, (3) regular briefings on the market situation, and (4) the "Juki Green Procurement Activity Guideline." Through these measures, we want to become friendly rivals with our suppliers.



## Society

As a good corporate citizen, we are making deeper exchanges with local communities. Also, in our international business operations we comply with internal and local laws, respect the local culture and customs, and endeavor to contribute to the development of the local area. At the same time, we aim to become a valuable and attractive entity in the society by addressing the environmental issue seriously.



## Employees

The Juki Group aims to become a global corporate entity that provides people with great employment and growth opportunities regardless of their nationality, race or gender. In each of the countries where we do business, we will establish an organization and corporate culture where employees can work with higher motivation and higher job satisfaction.





# Management System

The Juki Group is committed to enhancing its governance system, improving the speed, efficiency and quality of its management, and strengthening its compliance system to gain the complete trust of society. We also prepare ourselves to manage any risks across the Group.

## ■ Corporate Governance

We at Juki Corporation has introduced the Corporate Officer System and the Chief Officer (director in charge by the primary function) System to organize the Management Strategy Council under the Board of Directors, to improve the promptness and the mobility of the management, to facilitate the performance of operations, and to clarify the responsibility, but abolished the Chief Officer System and introduced the Director in charge System in June 2010. Not only the directors but also the Corporate Officer in charge of the section attend the Management Strategy Council to have active discussions from various aspects. Moreover, we set up the auditor rooms under the Auditors to strictly observe the director's exercise. In addition, we set up the auditing department besides the Auditors that bears the function to audit the business of each section and subsidiary companies as an internal audit organization, and to supervise the entire Group.

## ■ Response to Financial Instruments and Exchange Act

As for the internal control reporting system based on Financial Instruments and Exchange Act, the Juki Group received an effective assessment on the internal control related to the financial reporting even in fiscal 2009. The Juki Group thinks this to be a result of objective assessment that there was no problem in the governance system of financial affairs because the control concerning the financial reporting of the Juki Group was excellent. Moreover, the Juki Group improved the employee's understanding of the system with independent and internal checks by the audited sections, and will try to receive the efficient assessment as well as improve the assessment level by internal auditors in the next fiscal year.

## ■ Compliance

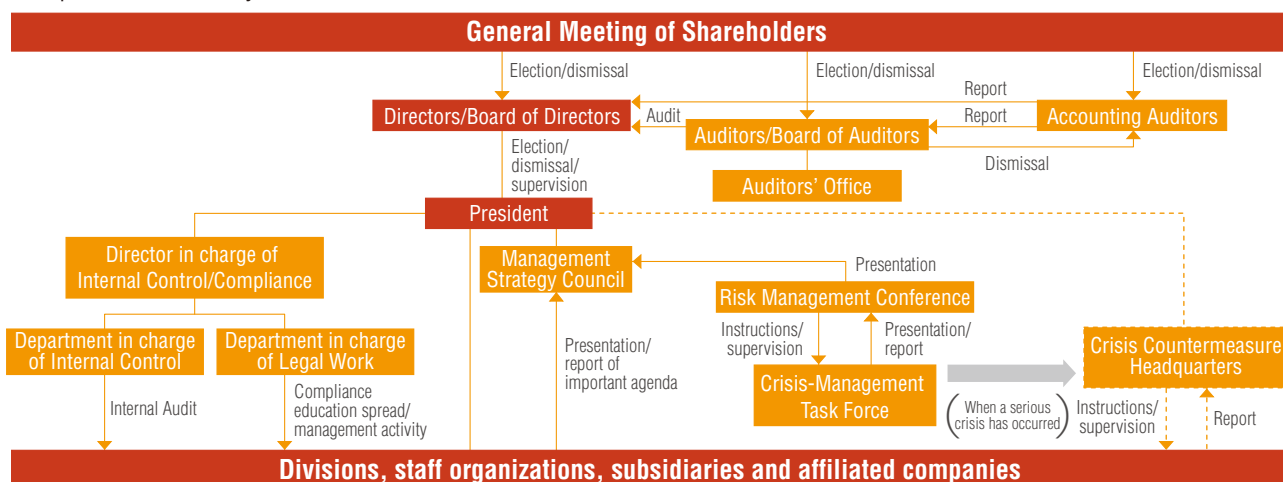
The Juki Group is focusing on a matter of compliance as an important management base, which aims at keeping a business group that has been widely trusted by everybody in the society including the customer, and worthy of the existence value for the society.

Not only the employees of Juki Corporation but also the directors and employees of the companies in the Group are well educated to act in accordance with the "Juki Corporate Code of Conduct" that explains about the conducts with the observance of the law and the good sense, and to promptly respond to consultations, doubts, etc from the employees in the counseling counters set up by Juki Corporation and the companies in the Group. Moreover, important risks related to compliance are managed at the risk management conference.

## ■ Risk Management

The Juki Group, as a risk management system, sets up the Risk Management Conference, where company-wide risks and important risks are managed, and directs it to take the remediation measure for the risk decrease. Moreover, we set up the Crisis-Management Task Force for the crisis in preparation for the occurrence of disasters (Exteriorization of the risk) such as natural disaster, fire, explosion, the PL (Product Liability), the environmental problem due to the industrial effluent to maintain the system to examine and execute the countermeasures. Furthermore, we set up the "Crisis Countermeasure Headquarters" headed by president, a head of the Crisis Countermeasure Headquarters, and conduct the crisis management by taking countermeasures against the acute crisis when it actually occurs.

### ■ Corporate Governance System



# Relationship with Customers

We are working to provide safe products and increase Customer Satisfaction (CS), in addition to responding to inquiries and requests from customers. We are committed to building and maintaining a deep bond of trust with our customers.

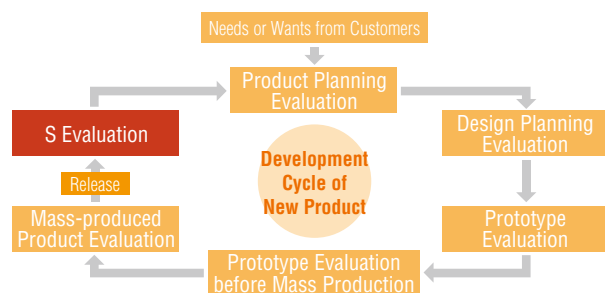
## ■ CS (Customer Satisfaction) Activities

Juki Corporation thinks it more important than anything else to continuously provide the product and service that can satisfy the customer. Therefore, we introduce and operate the "S Evaluation" process that measures the customer satisfaction rating of the product after release of new product.

We also aim at the product development that can satisfy the customer at any time by surveying or evaluating the customer satisfaction rating with quality, function, cost of introduction and operation, and after-sales service, and reflecting it in the project of a new product for the next term and in the change of specification of an existing product.

For the household sewing machines, we survey the customer satisfaction rating of a new product, and collect customer requirements of "Exceed" that was put on the market in 2009. The gotten opinions will be reflected in a new product for the next term.

### ■ Development Cycle of New Product

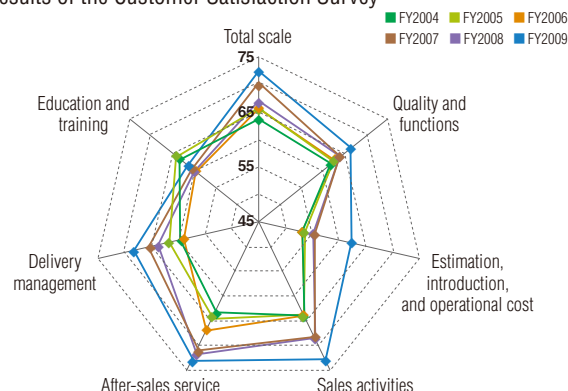


## ■ Activities by the Electronic Assembly & Test Systems Division

The Electronics Assembly & Test Systems Division is conducting all processes from the development of the pick-and-placers that place electronic components on the PCB to the manufacturing, the sales, and the maintenance. They analyze a customer satisfaction measurement with the overall judgments from six items such as "Quality and Function" and "After-sales service" in the CS questionnaire survey that has worked since fiscal 2004, and try to improve the service quality continuously.

Especially for the customer support, they are working on enhancing the consciousness of the environment, in addition to strengthening the systems such as an extension of reception time of service issues, the performance of the round maintenance service, and the improvement of the service person education content, etc. which are main activities for fiscal 2009. Moreover, they try improvements every day to satisfy the customers from various respects in the future.

### ■ Results of the Customer Satisfaction Survey



## ■ Product Safety

To deliver safe and untroubled products to the customers continuously, the Juki Group is emphatically promoting five items of the climate-making giving top priority to a safe product, the positive disclosure of information on a safe product, the operation of the product safety risk assessment, the thoroughness in recurrence prevention of the product safety problems, and the safety given top priority to the customer, to say nothing of the compliance with the laws and the rules applied to a safe product.

Especially in fiscal 2009, the Juki Group enacted the product safety checklist standard that is extended up to page 80 to strengthen a safe product from the development phase, and held a briefing session of the product safety checklist standard intended for the design engineer as an approach to educational enlightenment concerning the operation of this standard.

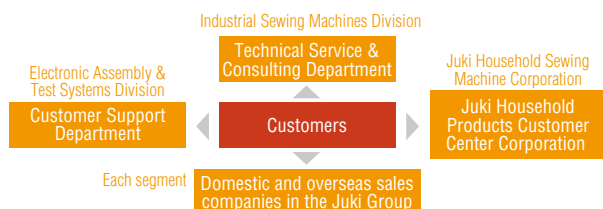
## ■ Quality Assurance

It is a desire in the Juki Group that keeping on providing the products and the services that please and satisfy them results in having a strong bond with customers. To achieve such desire, we have been promoting the Total Quality Management (TQM).

Especially in fiscal 2009, the Juki Group emphatically worked on strengthening the QA (Quality Assurance) system and the organizational operation based on the quality strategy, the level improvements of the management skills, etc. Concretely, the Juki Group greatly converted the quality assurance strategy by balancing the price and the quality according to customer's needs so that the customers in the new markets such as Brazil, Russia, India, and China might be pleased with the Products of JUKI, where a rapid growth is expected. Moreover, the Juki Group prompted the making of the common rule in the Group as a reinforced plan of the *Monodzukuri* (the art of product-making) and/or the *Hitodzukuri* (the art of personnel development), held the TQM guidance session for the development and manufacturing sectors, and participated in the examinations of the QC authorization mainly.

## ■ Providing Consultation Services

For each business segment, the Juki Group is providing consultation services to any inquiry from the customers. Moreover, it is possible for the overseas sales companies in the Juki Group to respond to the overseas customers them without the time difference, and for the customers to communicate with the Juki Group through homepage.



## ■ Activities by the departments in charge of the household sewing machines

Juki Household Products Customer Center Corporation is rendering wide after-sales services to inquiries about the products, consultations of all JUKI products in Japan, etc. They will try to respond as early and much as possible especially to the customers who are now at a loss to know how to use a sewing machine and how to sew.

Moreover, they do a prompt introduction to the repair service center in Hiroshima and give advices for the inquiries about after-sales service and the repair request, etc.

Juki Household Products Customer Center Corporation will enhance the function to provide the information on the service or the customer requirements that lead to the new product development as a valuable office that can hear customer's true opinion besides a consultation counter in cooperation with Juki Household Sewing Machine Corporation.

## ■ Activities by the Industrial Sewing Machines Division

The Sewing Research Institute was established in 1959, and marked its 50th anniversary in 2009. Meanwhile, they have continued to do the activity that specializes in the customer service where the plant specification, which becomes a reference when an industrial sewing machine is introduced, is distributed to a new customer and the factory diagnosis for the productivity enhancement is executed to an existing customer. In the factory diagnosis, the staff first conducts a hearing survey on a site to extract a problem or a worry from the customer, grasps the current situation, makes an analysis of the production method, the flow of goods, and the waste on the operator's work operation, etc., proposes the improvement idea to the plant manager and the manager on the site, etc., executes it to solve the worry about a concrete customer, and connect to a further improvement. They have conducted diagnoses for three hundred and forty-nine factories in fiscal 2009 (Improvement activities) in sixteen countries including Japan, China, India, Bangladesh, Vietnam, and Russia.

Moreover, to respond more promptly to overseas customers, we will make efforts to have the needlework laboratory local staff's educated. In addition, we will aim at the improvement of level to answer various types of customers' needs by using the skill chart originally developed in fiscal 2006 and evaluating each staff's individual level with ten stages.



Factory diagnosis in India

### TOPICS

4

## Offering the same quality service to everywhere in the world

"Engineer Level Recognition System" for each service engineer's technical skill level has been started since April 2006 so that the same and high service quality might be secured and offered to the countries all over the world in the Electronic Assembly & Test Systems Division. The average technical skill level all over the world was 1.5 in five-stage evaluation in fiscal 2008, but rose up to 2.52 now through a continued activity. We will continuously work on the refinement of the service quality setting a target technical skill level to 3.00 in the future.

## VOICE

Service engineer's technical skill level has improved overall in four years, too. However, we have still challenges for better service quality that should be performed as there is a delay in improving the levels of the service engineers in overseas countries compared with those in Japan, and want to strengthen the promotion of the activities to face a further and high target without being satisfied with the current state.



**Narao ITO**  
General Manager  
Customer Support Department  
Electronic Assembly &  
Test Systems Division  
Juki Corporation

# Relationship with Employees

The Juki Group is building a business rotation system to make better use of human resources and is improving its workplace and system to help employees make their work and home lives more compatible. We also believe it important to give psychological support to employees for their overall health.

## ■ Attitudes towards of Human Resources Development

Juki Corporation aims at the management where human resources that are "Leaders of the business" are developed and utilized in the Group to progress the management strategy and the business strategy globally. We do always the people-to-people exchange of more than 150 people for temporary transfers through personnel rotations and long-term business trips between the companies in the Group, participations in the hierarchical training and the specialized training at Juki Corporation, etc. Moreover, the employees all over the world are an object of the commendation according to the achievement contribution by the employees in the companies in the Group every year.

Juki Corporation thinks that extending the chance of various types of experiences and learning to each of the companies in the Group leads to the growth of each employee, the development of the Juki Group, and the contribution to society in the world.



A special commendation winner in Juki India PVT. Ltd. during fiscal 2009

## ■ Employing Disabled Persons

Juki Corporation strives to offer a job opportunity to the disabled persons as much as possible as part of an important contribution to society. Forty disables persons or more are playing active roles in Juki Corporation and the companies in the Group in Japan. We keep our eyes wide for adequate staffing or offer of training chance in addition to maintenance of the environment in which power of each person can be enough demonstrated.

## ■ Mental Health and Health

Juki Corporation always strives for appropriate preventions and measures, thinking that the maintenance of good health and the improvement both in body and mind are important.

The health counseling room, in addition to the execution of the routine physical examination including the diagnosis of the mind and follow-up including the work limitation, responds to various types of consultations of each employee, making a medical treatment member of an insurance doctor, a nurse, and an employment medical advisor. Moreover, to prevent labor accidents because of overwork, they have conducted the maintenance on the system and the appropriate operations of an individual follow to the long-hours workers including managers, the work management, and the return support program of those who are taking a leave for sickness.

## ■ Human Resources Development System

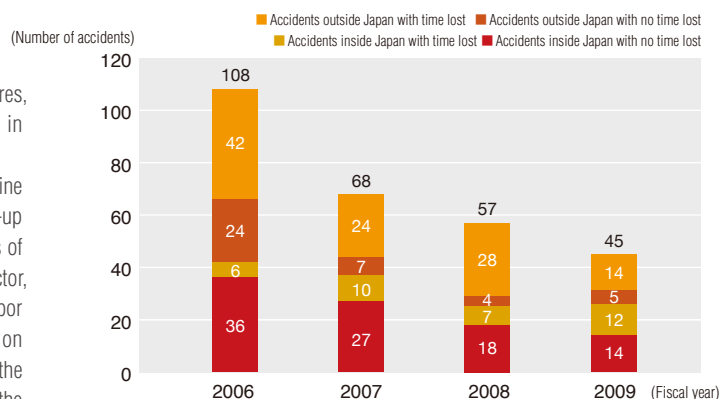
Juki Corporation goes side by side with on the job training (OJT) where the supervising instructor accompanies the new employee, and advances the personal growth supports such as the personnel training on the system sides of the hierarchical training, the specialized training, and the qualification acquisition training.

In hierarchical training, we conduct the new employee training, the factory training and the management training according to at the level of the employee. The specialized training extends from management to a lot of fields like sales, development, manufacturing, quality control, and procurement, etc. Moreover, we support the skilled persons who have the qualification acquisitions and the certificate examinations outside or in-house for the machining, the assembly of machine, the metal heat-treat, the assembly of electronic equipment, the tightening of screws, etc. In addition, we prepare chances of self-development for a commendation during a year, an encouragement to the invention and the patent, and various types of research papers besides the course that is in close relation to the business through home study course called as "JUKI challenge school."

## ■ Occupational Health and Safety

The Juki Group works on the workers' accident compensation extermination activity in the entire Juki Group to maintain a comfortable and safe workplace, and execute the strengthening of the risk assessment across the Group so that the manufacturing companies in the Group might understand the disaster risk and decrease the expected risk beforehand from the preventive viewpoint, to say nothing of recurrence prevention measures against disaster that has occurred. The labor accident occurrence number decreased by about 58% in fiscal 2009 from fiscal 2006 by doing a circle activity to decrease a risk; by extracting a risk by evaluating the risk a risk decrease plan of extraction by planning the risk decrease plan and performing it by confirming the effect of the performance.

### ■ Transition in Number of Labor Accidents that Took Place within the Group





# Relationship with Shareholders and Investors

The Juki Group will enhance the management transparency through accurate information disclosure to stockholders and investors at the right time. We have received many opinions and comments from shareholders and investors, and we are striving to meet their requirements.

## ■ Investor Relations (IR)

Juki Corporation believes that it is important to improve the satisfaction of its shareholders by strengthening communication with them. We post short-term financial reports, financial statements, and annual reports on our website in good time as the best way of disclosing information on our business trends and financial position.

We hold biannual briefing sessions for institutional investors and also have an interview individually with securities analyst, institutional investors, etc. By these activities, we are promoting to increase a stable shareholder who owns a share for the long term.



Briefing session held in May 2009

## ■ General Meeting of Shareholders

Juki Corporation holds an ordinary general meeting of shareholders every June. After the end of the general meeting, we introduce our major products to participating shareholders to deepen our communication with them. We held "The 94th ordinary general meeting of shareholders" in June 2009. More shareholders attended the meeting than in past years to exchange questions and answers actively. Moreover, they have ardently seen our major products after the meeting.

To keep making a general meeting more open in the future, we will hold it outside of those concentrated days. Moreover, we will continue trying to reflect the opinion from stockholders in the future approaches in the future, and to answer the expectation of everybody.

# Relationship with Business Partners

As a global corporate entity, the Juki Group is promoting green procurement in corporation with its business partners. We are committed to fair and unbiased trading with suppliers and improving our technological capabilities for coexistence and co-prosperity with our business partners. We are also enhancing communication with them through briefings and training sessions.

## ■ Procurement Policy

The Juki Group aims to choose the best places for production and procurement on a global scale, in order to produce and deliver satisfactory products more speedily and more efficiently to customers at more reasonable prices.

We choose business partners in a fair manner using our "business partners examination table." Both within and outside Japan, partners to the Juki Group need to meet the Group's quality, cost, and delivery requirements as a basic premise. In addition, when we choose partners, we evaluate them on their compliance with laws, regulations, and social norms, respect for basic human rights, compliance with the "Juki Group Green Procurement Activity Guideline," measures to ensure occupational health and safety, and protection of intellectual property rights.

Juki Corporation annually commends business partners who have fully met the company's evaluation criteria for quality, delivery, and cost. We also issue a "Certificate of guarantee delivery" to partners who have met our examination criteria for quality management.

## ■ Exchanges with Business Partners

Juki Corporation holds meetings to promote exchange and communication with suppliers, who are its partner companies. In January 2010, we invited many of our business partners to a New Year's meeting.

Moreover, "JUKI cooperation company workshop" is held in the quality month of November every year, and a theme "Thinking about the site in Japan again from the site in Asia" was lectured by the visiting lecturer in fiscal 2009.

Overseas too, we are strengthening our partnership with business partners. In China, Juki (Ningbo) Precision Industrial Co., Ltd. invited its local Chinese partners to a congress, at which it explained its procurement policies and commended partners for the excellent performances over the past year.



Meeting with Business Partners

# Relationship with Communities

## ■ Doing for the next generation who bears the future: Activities by Juki Corporation

We moved the head office to Tama City in Tokyo in December 2009 and try to build a better relationship with the communities as a company doing a business there. The building of Juki Corporation was designed to consider the local residents in landscapes and sunshine.

We established the showroom where the JUKI products can be seen in the building of Juki Corporation. This showroom can be visited by everyone, including children who live in the community, students of elementary schools, junior high schools and high schools besides the customers. Many people come after it was established, and we received them the impressions that "I was impressed by the evolution of the machine," "The products that I cannot see ordinarily brought endless surprises," and "It was very informative for me to see the production process of the products familiar in life such as cloths or PWBs for mobile phone."

Moreover, we presented total eighty seven units the household computer sewing machine; three units each to twenty nine of all elementary and junior high

schools in Tama City in February 2010 from the desire to want children to feel the pleasure with the *Monodzukuri* (the art of product-making). We wish to have them used to enhance the school trainings such as the class and extracurricular activities.



Students of dressmaking school who visit showroom

## ■ Revitalizing the rural economy: Activities by Juki Aizu Corporation

Juki Aizu Corporation positively has participated in "Utsukushima *Monodzukuri* (the art of product-making) festival in Aizu" and "Throbbing commerce and industry fair in Kitakata," in close relation to the community continuously since 2007. These events have been held to exhibit the products, or the excellent and special technologies by local businesses, to call for acknowledgment and the regular use of the local products widely, and to attempt the revitalization of the rural economy.

The metal powder injection molding technologies that Juki Aizu Corporation prides was exhibited in both events as a chance for everybody in the community to acknowledge it widely even in fiscal 2009. "Pendent-making by MIM (Metal Injection Molding)" processing the self-made picture to the pendant was done in an experience corner so that everybody might easily understand the advanced

technology. It is a good chance to give fun of the *Monodzukuri* (the art of product-making) to children in the community.



Pendant-making experience in "Throbbing commerce and industry fair in Kitakata" in February 2010

## ■ Developing human resources and creating employment: Relationship with community around Juki Xinxing Industry Co., Ltd.

Juki Xinxing Industry Co., Ltd. located in Lang Fang City, Hebei, China made a decision to become the bases of human resources development and internship for Electronic Information Technology School in the same city as part of regional contributions in January 2010. The Electronic Information Technology School is one of the vocational schools that have received the high appraisal from Hebei province in the electronics and IT related fields. The students can improve skills in the company that became a practice base, and if excellent students wish, the school can give them places for practical training or job opportunities. For example, they will be employed as regular employees after a graduation from the school. On the other hand, the company was able also to recruit top-class personnel in addition to the side of school support, and both the school and the company were able to build a good relationship for mutual benefit.

Meanwhile, the company has employed the graduates of the same school positively since an inauguration of business in 1995, and they are now playing active roles as executives such as managers through cultivation and efforts for years.



Contract ceremony as human resources development and internship bases

# Third-Party Opinion

Recently we asked Ms. Yuko Sakita to provide a third party opinion on the content of the "JUKI Environmental Report 2010." We will make the best use of her opinions and suggestions as we plan out improved activities for the next fiscal year.



**Yuko Sakita**

Journalist, Environmental Counselor

Ms. Sakita is an Environmental Counselor registered with Japan's Ministry of the Environment. Through her wide engagements in environmental education, she views society from a consumer's perspective and lectures and writes on environmental problems, especially on the challenges to creating an environment-conscious society.

## ■ Comprehensive opinion

First of all, I would like to express my respect for the Juki Group on many levels, particularly for the value it places on relationships of trust with regions and societies all over the world as a global exemplar of *Monodzukuri* (the art of product-making).

In the coming few years I expect the Juki's management message to have a huge influence on the active conduct of business of the entire Juki Group. This is a message closely focused on the status of the environmental management system, now in its tenth year, and the thoroughgoing environmental considerations encompassed in "*Monodzukuri* (the art of product-making)," a foremost element in all of Juki's business activities.

The outstanding features of the DDL-9000B are to be expected in the most advanced and strongest-selling industrial sewing machine in the world. Besides the excellent functionality expected from a lockstitch sewing machine with one needle, the countless advantages of this machine—the low vibration, low noise, reduced power consumption, lower standby power requirement, and large reductions in the number of parts, overall size, and packing materials—promise a sewing machine friendly to both human beings and the earth. And after reading the comments from the developers of the DDL-9000B, I'm impressed by their fast work and intense level of cooperation. Throughout the development process, these people energized their workplace and each other with the pride and joy of mastery in craftsmanship and design.

## ■ Environmental aspect

With regard to Juki's progress towards its environmental targets, the CO<sub>2</sub> emissions-reduction target per Basic Unit of sales was not achieved, though the gross weight was reduced due to downscaling in production in the strict economic environment of the previous fiscal year. In the next fiscal year I would like the company to work more stringently for reduction both in terms of Total Volume and the Basic Unit target.

According to the environmental performance data, the consumption of electric power and fossil fuel has been reduced every year. But the national medium-term target for 2020, a 25% reduction of CO<sub>2</sub> emissions, looks daunting. I think this CO<sub>2</sub> reduction will be difficult to achieve merely by combining various measures to conserve energy. It will be necessary to form an overall environmental energy vision while promoting global management. The industrial use of natural gas, the use of unutilized energy sources, and the production of energy from renewable sources will all play important parts.

Meanwhile, a contravention of the environmental regulatory compliance has been reported in relation to one of the other environmental targets. As I understand it, Juki Corporation managed to rectify the problem with

non-RoHS parts before any of the machines with the parts reached Juki's customers. The problem was fortunately caught just after delivery by the supplier. Juki Corporation strives for a thoroughgoing environmental management system and to improve the environment-awareness of every employee through its ECO-MIND Declaration. Even so, Juki Corporation must never let down its guard in monitoring suppliers. It will continue to be important, in my view, to publicize this type of negative information and utilize it for the internal enlightenment. I would like Juki Corporation to strive for further instructions and thoroughness in accomplishing this.

Juki Corporation is working step by step towards the realization of a low carbon society, recycling society, and risk reduction in processes with chemical substances. Measures to reduce greenhouse gases extend to the new premises, and international contributions to the diffusion of know-how in these business activities will be extending into Asian and African countries. It was wonderful to have held an exhibition and seminar that underlined the importance of the eco-factory in the exhibition of environment-conscious products in India.

## ■ Social aspect

Juki Corporation considers it important to build relations with every stakeholder and is taking special steps to improve its methods for measuring customer satisfaction. According to its "customer satisfaction rating analysis," overall satisfaction has risen every year for quality, cost, sales activities, after-sales service, and delivery response. Satisfaction has fallen, however, for one item educational training. Ultimately, I expect enhanced reliability for the customer. If the cause of the problem is discovered and the best method for handling it is adequately described, the PDCA cycle will turn in-house.

Moreover, we are living in an era of gender equality. I therefore expect to see more information on men's participation in child rearing or structures to allow women or mothers to participate in the workplace more seamlessly.

## ■ Future expectations

Biodiversity is an important dimension in our quest to achieve a sustainable society. Especially, it is expected that the influence on the nature or the life in the resource supply ground or in the business activity location region used in the active conduct of business especially will be restrained as much as possible, and such restraint will then contribute to the living and the activation in the region.

Juki Corporation has already shown some consideration to the environment as a global company. But moving forward, I would like to suggest that Juki Corporation formulate a vision for its activities by introducing an action plan targeting environmental items and clearly specifying the implementation status. Last but not least, I expect the international society's trust in Juki Corporation to strengthen. If it does, it will lead to sustainable development of the active conduct of business even as constraints on resources, energy, and symbiosis with nature grow on a global scale.



## Juki Corporation

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